



Breathitt County

Water District

Making Breathitt County

A Better Place One Drop at a Time.

RECEIVED

JUN 28 2016

Public Service
Commission

June 6, 2016

Jeff Derouen
Executive Director
Kentucky Public Service Commission
P.O. Box 615
Fankfort, Kentucky 40602

RE: Formal Application for a Purchased Water Rate Adjustment

Dear Mr. Derouen,

Enclosed is an original and ten copies of an application for a purchased water rate adjustment for Breathitt County Water District. The adjustment is necessary to recover an increase in the cost of water attributable to our supplier's new whole sale rates that become effected July 1, 2016. The District is seeking to make this effective July 1, 2016.

The District will publish the enclosed public notice of these requested rate revision in the local weekly newspaper. In accordance with PSC rules and regulations, the notice will be published before the new bills are issued and will be published one time.

Sincerely

Bobby Thorpe,
Chairman

Breathitt County Water District is an equal opportunity provider and employer.

1137 Main Street, Suite 305. Jackson, KY 41339

Phone (606) 666-3800 ext. 250

Fax (606) 666-2860

Email breathittwater@yahoo.com

**PURCHASED WATER ADJUSTMENT FOR
WATER DISTRICTS AND WATER ASSOCIATIONS
(807 KAR 5:068)**

Name of Utility	Breathitt County Water District	
Date	6-3-2016	
Address	1137 Main Street Suite 305	
City, State, Zip	Jackson, KY	41339
Telephone Number	(606) 666-3800 ext. 250	
Email Address	breathittwater@yahoo.com	

1.a. Name of all wholesale suppliers and the base (current) rate and changed rate of each. In the event the water purchased is billed by the supplier on a rate that is not a flat rate schedule, the entire rate schedule must be shown. Attach additional sheets if necessary.


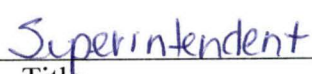
Supplier(s)	Base Rate	Changed Rate
City Of Jackson	\$3.42 / 1000 Gallons	\$3.52 / 1000 Gallons
City of Campton	\$3.32	No change

1.b. A copy of the supplier's notice of the changed rate showing the effective date of the increase is attached as Exhibit

2. Twelve-month period upon which the purchased water adjustment is based. (This twelve-month period must end within 90 days of this filing).

From	June 2015	through	May 2016
	(month and year)		(month and year)

3. Statement of water purchases. Where water is purchased from more than one supplier, purchases from each supplier must be shown separately. If water is purchased through a declining block rate schedule, purchases for each month must be shown. Attach an additional sheet if necessary.

Supplier(s)	Gallons Purchased during 12 month period
City of Jackson	74,917,000
City of Campton	135,350
TOTAL PURCHASES	
4. Total gallons sold for the 12 month period	65,300,000
5. Increased water cost	\$7,491.70
<p>The increased water cost is the cost difference between purchases at base (current rate) and purchases at new rate. The calculation and all supporting documents used to determine the change in purchased water costs sufficient to determine the accuracy of the calculation is attached as Exhibit</p>	
6. Purchased water adjustment factor	$\frac{\$7491.70}{65,300,000 \div 1000 \text{ G}} = .12 \text{ cents}/1000\text{G}$
<p>The purchased water adjustment factor is obtained by dividing the increased cost of water by the total gallons sold.</p> <p>Note: The purchased water adjustment factor is added to each thousand gallons sold. If the minimum usage is 2,000 gallons then the purchased water adjustment factor would be added to the minimum bill twice.</p>	
7. A schedule listing the current and proposed rates is attached as Exhibit	
8. A copy of the resolution or other document of the utility's governing body authorizing the proposed rates is attached as Exhibit	
9. Proposed effective date	July 1, 2016
	
Signature of Utility Officer	
	
Title	

Breathitt County Water

Comparison of Rates

			Current	Proposed	
5/8" x 3/4" Meter					
First	2,000	Gallons	\$23.92	24.16	Minimum Bill
Over	2,000	Gallons	11.96	12.08	per 1000 gallons
Leak Adjustment			\$6.96	\$7.08	per 1,000 gallons
Wholesale Rate					
Village of Buckhorn			\$4.51	\$4.63	per 1,000 gallons
Kentucky Mountain Bible College					
First	10,000	Gallons	\$119.60	\$120.80	Minimum Bill
Next	190,000	Gallons	6.99	7.11	per 1000 gallons
Over	200,000	Gallons	5.81	5.93	per 1000 gallons

I have received the Letter/Notice for the proposed increase in water rates effective July 1, 2016
From the City of Jackson as of May 31, 2016.

Cheryl Campbell

Breathitt Co. Water District Representative

5-31-16

Date



Rose Wolfe
Mayor, City of Jackson
333 Broadway
Jackson, KY 41339
Phone: (606) 666-7069 Fax: (606) 666-7046

May 31, 2016

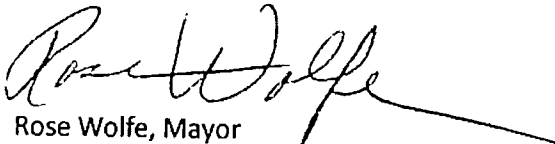
Breathitt Co. Water District
1137 Main Street
Jackson, Ky. 41339

Re: 3% Water Rate Increase

The City of Jackson intends to raise the water rates sold to the Breathitt Co. Water District
From the Current Rate of \$3.42 per 1000 gallons to the New Rate of \$3.52 a change of \$0.10 and overall
3% Raise effective July 1, 2016.

Please see attached notice for further information.

Sincerely,


Rose Wolfe, Mayor
City of Jackson, Kentucky

NOTICE

Notice is hereby given that the City of Jackson proposes to increase its rate for wholesale water service effective July 1, 2016. Documentation will be filed with the Kentucky Public Service Commission to increase the rate as follows:

	<u>Current Rate</u>	<u>New Rate</u>	<u>\$ Change</u>	<u>% Change</u>
Water Rate per 1,000 gallons	\$3.42	\$3.52	\$0.10	3%

The proposed effective date is July 1, 2016. Water flowing through the meter(s) before the effective date will be charged at the current rate. Water flowing through the meter(s) on and after the effective date will be charged at the proposed new rate.

The rates contained in this notice are the rates proposed by the City of Jackson but the Public Service Commission may order rates to be charged that differ from the proposed rates contained in this notice.

Any person may examine this filing by visiting the Jackson Mayor's Office located at 333 Broadway in Jackson, Kentucky; telephone 606-666-7069.

The filing may also be examined at the offices of the Public Service Commission located at 211 Sower Boulevard in Frankfort, Kentucky, Monday through Friday from 8:00am to 4:30pm or through the PSC website at <http://psc.ky.gov>.

Comments regarding the filing may be submitted to the PSC through its website or by mail to Public Service Commission, Post Office Box 615, Frankfort, KY 40602.

A timely written request for intervention that establishes grounds for the request may also be submitted to the PSC. The Public Service Commission may take final action on the filing if a written request for intervention is not received within 30-days of the date notice was given.

BCWD'S PURCHASED FROM CITY OF CAMPTON			
DATE	Gallons Purchased		
June, 2015	1,800		
July, 2015	27,000		
August, 2015	29,750		
September, 2015	19,700		
October, 2015	7,100		
November, 2015	700		
December, 2015	16,300		
January, 2015	7,000		
February, 2015	6,000		
March, 2015	7,000		
April, 2015	6,300		
May, 2015	6,700		
Total	135,350		
135,350 gal + 1,000 gal = 135			
135 gal x 3.32 (current rate) = \$448.00			
No change in rate for water purchased from City of Campton			

BCWD'S PURCHASED FROM CITY OF JACKSON			
DATE	Gallons Purchased		
June, 2015	7,110,000		
July, 2015	5,167,000		
August, 2015	6,905,000		
September, 2015	5,832,000		
October, 2015	6,398,000		
November, 2015	6,299,000		
December, 2015	5,997,000		
January, 2015	6,440,000		
February, 2015	6,380,000		
March, 2015	6,073,000		
April, 2015	6,154,000		
May, 2015	6,162,000		
Total	74,917,000		
74,917,000 gal + 1,000 gal = 74,917			
74,917 gal x 3.42 (current) = \$256,216.00 + \$448.00 (Campton)= \$256,664.00			
74,917 gal x 3.52 (new rate) = \$263,708 + \$448.00 (Campton)= \$264,156.00			
Increased Water Cost			
\$264,156.00 - \$256,664.00 = \$7,492.00			

RESOLUTION # 6152016

A RESOLUTION OF THE BREATHITT COUNTY WATER DISTRICT APPROVING A PROPOSED RATE INCREASE FOR THE COUNTY WATER SYSTEM AS APPROVED BY THE BREATHITT COUNTY WATER DISTRICT BOARD.

Whereas, the Breathitt County Water District Board did pass and approve a proposed rate increase for the Breathitt County Water District Systems at the June 15, 2016 regular monthly Board Meeting.

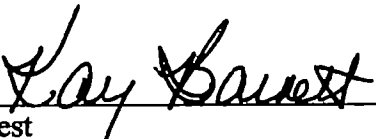
Whereas, the motion was made and approved by a vote of 5-5 that the Breathitt Water District Board increase the minimum bill from \$23.92 to \$24.16 and an increase per thousand after the first two thousand gallon from \$11.96 per thousand to \$12.08 per thousand to become effective for service rendered on and after July 1, 2016.

Whereas, cause for the proposed rate increase was impending the rate increase of purchased water from the City of Jackson.


NOW THEREFORE BE IT RESOLVED by the Breathitt County Water Board that the proposed rate increase for the Water System will become effective for services rendered on and after July 1, 2016.

VOTE TAKEN AS FOLLOWS:	AYE	NAY
Bobby Thorpe, Jr., Chairman	<u>X</u>	—
Sammie Turner, Vice Chairman	<u>X</u>	—
Cheryl Spicer-Campbell, Treasurer	<u>X</u>	—
Eva Fugate, Secretary	<u>X</u>	—
Kash Noble, Board Member	<u>X</u>	—

MOTION CARRIED.



Attest



Breathitt County Water District
Bobby Thorpe, JR., Chairman

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Sammie Turner, Vice Chairman	<u>X</u>	-
Cheryl Spicer-Campbell, Treasurer	<u>X</u>	-
Eva Fugate, Secretary	<u>X</u>	-
Kash Noble, Board Member	<u>X</u>	-

MOTION CARRIED.

Kay Barrett
Attest

Bobby Thorpe, Jr.
Breathitt County Water District
Bobby Thorpe, JR., Chairman

NOTICE

Due to a rate increase from the City of Jackson, notice is hereby given that Breathitt County Water District has filed an application for Purchased Water Adjustment with the Kentucky Public Service Commission for the purpose of adjusting its water rates. Customer rates will increase by \$0.12 per 1,000 gallons used. The proposed change will be effective for service rendered on and after July 1, 2016.

<u>Monthly Rates</u>	<u>Prior Rates</u>	<u>New Rates</u>	<u>\$ Increase</u>	<u>% Increase</u>
First 2,000 gallons (minimum bill)	\$23.92	\$24.16	\$0.24	1.003%
Over 2,000 gallons (per 1,000 gallons)	11.96	12.08	0.12	1.003%
Leak Adjustment Rate (per 1,000 gallons)	6.96	7.08	0.12	1.724%

The bill for a customer using an average of 5,000 gallons per month will increase \$0.60 (or 1.003%) from \$59.80 to \$60.40.

Any person may examine this application at the Breathitt County Water District's office located at 1137 Main Street in Jackson, KY; telephone (606) 666-3800. Any person may also examine this application at the PSC located at 211 Sower Boulevard, in Frankfort, KY, Monday through Friday, 8:00am to 4:30 pm or on the PSC website at <http://psc.ky.gov>; telephone (502) 564-3940.

Breathitt County Water District